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SUBJECT: JORDAN IPR PROBLEMS AND SOLUTIONS: PART I -AWARENESS CAMPAIGN TACKLES STREET-SMART PIRATES

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THIS IS THE FIRST IN A SERIES OF CABLES ON INTELLECTUAL PROPERTY RIGHTS IN JORDAN.

11. (SBU) SUMMARY: Safeguarding intellectual property rights (IPR) in Jordan has been a major government concern, but implementation is not yet well-coordinated, and the GoJ is ill-prepared for modern IP pirating techniques. As the sophistication of Jordan's IPR protection regime increases, the resourcefulness of wily IP pirates is also improving. When a new copyright law went into effect in early 2005, enforcement officials acted on it immediately (Ref A).

Jordan,s courts, however, have been reluctant to impose the law's new, tougher penalties, to the dismay of local right holders and licensees. Although Jordanian IPR protection measures up well in this region, and confiscations and raids on violators continue, authorities do not have the resources to keep up with the considerable influx of pirated optical media and local copying of books, tapes, and digital material. Systemic enforcement problems persist, and enforcement officials require more training. The political will remains strong, however, to tackle IPR violations and maintain Jordan's IP reputation. Jordan's trade minister fully supports implementing TRIPS- and FTA-related IPR commitments, as does the National Library Director General who oversees copyright enforcement. USAID is sponsoring a GOJ-supported \$60,000 public awareness campaign, which begins in October to promote wider public respect for IPR. In the meantime, Minister of Industry and Trade Sharif Zu'bi has called for a comprehensive approach to the IPR problem, and plans to reconvene a meeting of key GoJ and private sector END SUMMARY. stakeholders on the issue.

Raids Dampen Software Piracy; Other Pirates Persist

- (SBU) When Jordan's new copyright law went into effect on March 31, a wave of raids on computer software pirates followed that was unparalleled in its scope (Ref A). Almost weekly since then, under an agreement with the Business Software Alliance (BSA), the National Library IP enforcement team has been raiding shops that sell pirated software either heavily "discounted" or provided "free" with the sale of computer hardware. The campaign, which includes close cooperation with BSA lawyer Tawfiq Taba'a and is always followed by press coverage, has had a major deterrent effect, according to Taba'a. On the down side, however, wily vendors now no longer display their pirated wares, and are more wary of requests from unknown customers. In the meantime, the GOJ-BSA program is beefing up its intel-gathering component to root out the pirates, continue the raids, and prosecute cases. Taba'a says the cases, which bring the vendors into court every few weeks for up to two years, are so costly in time alone that pirates get the message that this crime doesn't pay.
- 13. (SBU) While software piracy enforcement is increasing, other forms of piracy are less frequently policed by the National Library as its Director General Mahmoud Talhouni openly concedes, pointing to his small staff of six and the irregular availability of police to join in raids. In mid-October, Econoff criss-crossed Amman to witness a mixed IPR protection picture.

Some Do it Right

(SBU) In upscale West Amman, many video shops stock licensed rental copies of DVDs and videotapes in accordance with the law. The area's music stores also sell new copies of CD's and audiotapes from licensed distributors, and book stores sell legally imported best sellers and a wide range of fiction, nonfiction and textbooks.

- 15. (SBU) In downtown Amman a different picture emerges, however. Murad Bushnaq, President of the Jordan Intellectual Property Association (JIPA), says that the experience of purchasing pirated DVD's of U.S. new-release films for 1 Jordanian Dinar (\$1.40) is such a thrill that it is de rigueur for tourists to stop and browse the numerous stalls found a stone's throw from the downtown Roman Ampitheater. Near any university in Jordan, according to Post contacts, the same hip culture exists of buying bootlegs for the thrill of it. Near the universities, professors can and do negotiate with copier outlets the complete reproduction of textbooks for their students. Dozens of copy shops that line the streets outside university campuses appear to do a substantial business.

  Fair Use?: "We Will Copy Anything"
- 16. (SBU) On October 12, Econoff accompanied by Econ FSN visited six copy shops outside the University of Jordan, only a small fraction of the shops in the area. In five of the six stores, proprietors were willing to produce any variation of textbook copies from full textbooks, to extensive excerpts, to 600-page anthologies combining multiple textbooks. At one store, a color-copy anthology on archaeology of the Jordan-Palestine region was quite attractive it stole from publishers Knopf, Thames & Hudson, Penguin, and Ernest Benn. The owner promised that he could copy anything. The illegitimate reproduction business has reached a level of sophistication that copiers will offer a wide variety of bindings, including gold-embossed hard covers all with an extent of reproduction that goes well beyond most reasonable definitions of "fair use" as found in the Bern Convention for the Protection of Literary and Artistic Works.

One-JD DVD's - Coughing Audiences, Blurry Focus

- 17. (SBU) With JIPA's Bushnaq, Econoff visited a number of pirate video shops in three different sections of Amman. Without exception, all carried an extensive list of pirated first-run films and classics. Most also stocked pirated audiotapes of hit Arabic-language singers. NOTE: Bushnaq's company, Intermedia, owns the Jordan distribution rights to products from Warner Brothers (WB) and Columbia, as well as Europe-based EMI and Virgin. Each year, he must guarantee WB that he will purchase a minimum of \$40,000 in DVD's, he said. But in the last six months, sales declined and his business partners are threatening to pull out. Bushnaq blamed the aggressive DVD pirates who sell new-release U.S. films (still screening in theaters in the States), which hit Amman's streets within a week of their premieres. END NOTE. E and Bushnaq saw all current top-ten films showing in U.S. theaters being widely sold. Bushnaq said many optical media copies had come in from neighboring countries, especially Syria; some master copies are flown in from Asia. Malaysia or Thailand were two common sources, he noted. He did not believe that disc-copying was a growing concern in Jordan, however. COMMENT: The quality of the pirated DVD's is patchy and hawkers have a take-it-or-leave-it attitude. M are "theater quality" products, meaning they had been videotaped by a camera set up on a tripod in the back of the theater. The picture is flat-looking and one can hear a theater. The picture is flat-looking and one can hear a regular chorus of theater noises - coughing, laughter, etc. END COMMENT
- 18. (SBU) Bushnaq expressed agitation that while in the previous week GoJ officials had raided two of the seven stores visited, the enforcement team had confiscated only a handful of pirated DVDs. Bushnaq explained that the proposed new enforcement philosophy was to confiscate only enough evidence to bring a case to court. He thought this policy kept the pirates open; he would use the pirated new releases he had bought in the two just-raided stores to make the case for more vigorous action by GoJ officials and to inform U.S. right holders, he said. NOTE: When the National Library later learned that Econoff had been observing pirating activities in central Amman, its Director General secured police protection and raided the three biggest vendors downtown a few days later, Bushnaq reported. They returned to their old tactics and had confiscated hundreds of DVD's, he noted. END NOTE.
- 19. (SBU) Bushnaq was also critical of the judiciary. He had filed dozens of cases, he noted, and the embarrassment of a court appearance was enough to stop some pirates. But a successful prosecution usually resulted in a fine of only 10-20 JD (\$14-28). When the new copyright law went into effect last March, the pirates were running scared because of new fines of up to 6,000 JD (twice the old fines), he noted. Now, they just laughed because none of the judges were imposing the tough new penalties under the copyright law.

Instead, judges continued to use the more lenient criminal law. Bushnaq says he will urge Judicial Council head Mohammad Raqad to emphasize the need for continued IP training of a reliable cadre of judges. There were already a few such justices on the bench, but more needed training, he said.

IPR Public Awareness the Next Step

- 110. (SBU) The National Library is now looking to widen the base of its public support in Jordan through a public awareness campaign. The USAID Achievement of Market-Friendly Initiatives and Results (AMIR) Program is planning to provide an estimated \$60,000 to the campaign, jointly run with JIPA. Eventually, the campaign will host events for the business community and the public, and advertise on billboards around Amman, said AMIR's Private Sector Policy Initiative Team Leader Greta Boye.
- 111. (SBU) In its initial stages, the campaign is focusing on placement of articles in the Arabic-language press based on press releases, features and interviews. An interview with a law professor is scheduled for later in October, and an article on IP violators will appear next month. By the end of the year, an IP awareness leaflet will be ready for distribution. In addition, surveys will be conducted before and after the six-month IPR awareness campaign to gauge shifts in public awareness and/or attitudes.

Policy-Level of GoJ Committed to IPR Protection

- (SBU) In an October 17 meeting with AMIR (attended by USAID and Econ Section officers), Minister of Industry and Trade Sharif Zu'bi stated that he was committed to a comprehensive approach to IPR issues, including amendments to the current law, but especially focused on implementation of existing ideas and on enforcement. Zu'bi took on board that IPR protections as practiced daily in Jordan were not at the level that he and the National Library Director General wanted. He asked his senior trade policy officer, Maha Ali, to coordinate another meeting of a group of public-private IPR stakeholders within the next few weeks. This group includes officials from the police, library enforcement office, customs, security, trade ministry, standards, and other agencies, as well as private stakeholders such as JIPA and the local music industry. Zu'bi repeated his desire to adhere to international standards and meet commitments in the U.S.-Jordan Free Trade Agreement. NOTE: Econoff noted to trade policy officer Ali that IPR issues had been raised in a September 13 exchange between Zu'bi and USTR Donnelley, and that they would remain of concern in the lead-up to the proposed FTA Joint Committee meeting to be hosted by Jordan in early 2006. Ali, who had asked for a written list of concerns, acknowledged that the AMIR presentation was a good start -- it included a summary of a number of outstanding IPR issues related to the FTA. END NOTE.
- 113. (SBU) COMMENT: We believe that Trade Minister Zu'bi is likely to achieve more gains in IPR protection than his two predecessors. But challenges to IPR protection in Jordan are not minor, and won't be completely or easily solved immediately. Zu'bi is the first to acknowledge that a more forceful champion for IPR issues must emerge out of the nascent public-private partnership on IPR. If the public awareness campaign succeeds, we may see more members of the concerned industries and especially the local music industry take a more proactive role. For now, repeated voicing of USG concerns, AMIR's active consultancy, and the ongoing IPR public awareness campaign have given IPR protection a new urgency at the Ministry of Industry and Trade.
- 114. (U) Next installment on IPR: Gaps in the Legal-Regulatory Framework. RUBINSTEIN